

CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

REPORT

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COUNTRY: East Germany
 SUBJECT: Food Export & Import Program

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1. Planned and Actual Food Exports of East Germany

Item	Unit	1953	Planned for 1954	Planned for 1955
White sugar	tons	200,000	227,000	250,000

The 1955 export total has been approved by the Plan Commission. A total production of 700,000 tons is expected in 1954.

Potato starch	tons	8,000	10,000	13,000
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1954 exports had to be stopped in January because of the lack of starch for domestic consumption. 1955 total has been approved by the State Planning Commission.

Calves' stomachs for the pharmaceutical industry units		—	40,000	60,000
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1954 quantity approved. 1955 totals not yet agreed upon

Alcohol 96 percent	hectoliters	100,000	120,000	150,000
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Only 120,000 approved for 1955.

Marjoram	tons	125	145	165
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West German competition in this item is feared.

Spirits	hectoliters	—	1,000	1,500
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Beer	hectoliters	—	21,000	38,000
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Extraordinary difficulties in procuring tinfoil paper for beer bottles, and the related boxes hindered the exports of beer.

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Item	Units	1953	Planned for 1954	Planned for 1955
Miscellaneous items	rubles	—	500,000	600,000

These items include soup flavoring (Aiga), dry baking yeast, marmalade, dry pectin, liquid pectin.

2. Hard Baked Goods and Sweets for Export

- Since 1 October 1953, bakeries have been permitted to bake on the same basis as the retail stores (HO). As a result, the production of baked goods by the HO-enterprises has considerably decreased. The hard baked goods industry is only producing 20 percent of capacity. Planned production for the first quarter of 1954 amounts to about 4,000 tons.
- At first it was planned to export 2,700 tons in 1954. This figure was reduced to 500 tons for 1954 and 500 tons for 1955, without the approval of the Ministry. These products are of average quality, and all the same, so that their exportation would probably be difficult.
- Export of hard baked goods and sweets is hampered by lack of tin and sine packing materials for boxes. For instance, only 1½ tons of tin plate are available, which would serve to pack only 10 tons of hard baked goods.
- A contract for 40 tons of hard baked goods for Moscow, to be sold immediately at the June fair there, was withdrawn.

3. Planned and Actual Food Imports into East Germany

Item	Unit	Planned for 1954	Planned for First Quarter	Percentage of 1st Fulfillment Quarter 1954
Lentils	tons	14,000	3,500	70
Peas	tons	22,000	5,500	27.5
Beans	tons	20,000	5,000	30
Millet	tons	1,000	500	20

Required mostly by the civilians of the Occupying Forces and for certain regions, viz. Spreewald and the Sorbic area of Loebau and Bautzen. The remaining 500 tons are not to be purchased until the fourth quarter.

Rice	tons	34,000	8,000	72
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Almost exclusively purchased from China. All imports for the third and fourth quarters of 1954, as those for the first quarter of 1954, had to be processed since much of it was wormy.

Hops	tons	3,000	700	90
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<u>Item</u>	<u>Unit</u>	<u>Planned for 1954</u>	<u>Planned for First Quarter</u>	<u>Percentage of Fulfillment, 1st Quarter 1954</u>
Soybeans	tons	300,000	77,000	60

Mostly from China.

Barley, brewing	tons	400,000	100,000	By mid-February, 30,000 tons
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Brewing barley from Poland in 1953 yielded only 23 percent net.

Fresh vegetables and canned vegetables	tons	40,000	3,500	90
Fresh fruit				
Canned fruit	tons	140,000	33,300	25
Dried fruit	tons	12,000	3,500	65
Shelled peanuts	tons	120,000	30,000	65
Fruit juices	tons	7,500	2,000	46
Fruit pulp	tons	27,000	6,550	60

Most of the fruit pulp comes from the eastern lands and is not very good in quality. It is largely plum pulp.

Raw coffee	tons	14,000	3,500	20
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Tea	tons	600	250	80
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400 tons is Georgian tea (Caucasus). 200 tons come from the East Indies.

Cigarette tobacco	tons	54,000	13,339	27
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Smoking tobacco	tons	1,200	300	80
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Cigar tobacco	tons	2,100	515	4
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Wine distillate	hectoliters	16,000	4,000	50
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Brandy	hectoliters	72,000	18,000	36
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Table wine	hectoliters	120,000	30,000	60
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Wines delivered by Eastern countries are often too young. Consumer demand tends toward wines from the Rhine, the Mosel and from France.

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Item	Unit	Planned for 1954	Planned for First Quarter	Percentage of Fulfillment, 1st Quarter 1954
Canned fish	tons	16,000	4,000	90

From the Soviet Union in 430 gram cans almost exclusively. Opposition to these large cans was branded as an anti-Soviet attitude.

Of the 16,000 tons total, only 3,200 tons will come from Western countries. The 4,000 tons planned add unnecessary new tonnage to the 4,000 tons unsaleable state reserves already in warehouses and in danger of spoiling.

4. Imports outside the Plan

Fruit jellies	127 tons
Cigarettes	34.5 million units from Bulgaria
Bulk cacao	137 tons
Farinaceous products	163.2 tons
Chocolate goods (Schokovaren)	31.3 tons

5. Imports under the name of "Consumers' Goods Exchange"

Under the heading "Imports" is also included the so-called "Consumers' Goods Exchange" which is carried on outside the Plan. This is concerned with goods that are placed at the disposal of Soviet-occupied Germany by the USSR and the Satellite states. Here it is a question of food which was formerly produced for use in the land of export and was not saleable. In such cases, the Soviet-occupied area of Germany is like a waste basket, into which everything is thrown. The Ministry for Foreign and Domestic Trade and the Ministry of Trade and Supply (which has no insight into the real needs of the public) are the offices responsible for importation and they take everything they can get on their hands on.

An illustration of this activity was the importation of 150 tons of cacao-products from Czechoslovakia in September 1953. The goods were in part completely spoiled, since they had been produced in 1952 and the first half of 1953. 50 tons were immediately returned to Czechoslovakia. On the demand of the firm of Contromise in Prague, the remaining goods, which had been divided among 12 outlets of DME Lebensmittel, were inspected by a representative of the Czech firm, a representative of the Kontor Import und Lagerung-Sortiment und Genussmittel, and a representative of DIA-Nahrung. After this inspection the 100 tons in question were packed by wholesaling into 100 gram packages, and scattered over the entire Soviet-occupied area. The Ministry of Trade and Supply refused to release them. After three months, on orders of the Ministry of Foreign and Domestic Trade (stemming from Ulbricht himself) the lot was consigned to the Ministry of Trade and Supply for sale. A price of 10 DME per kilogram was set upon the goods. 20 tons were given over to Zentraler Kraft-und Futterfonds as spoiled goods.

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